

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATE FITZPATRICK | ELIZABETH FONTAINE | JOHN B. LANGAN | JAMES M. MACHADO | ROBERT B. MCCARTHY

MEMORANDUM

TO: Massachusetts Housing Finance Agency Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule and Revised Appropriation for Fiscal Year 2016

DATE: August 3, 2015

Revised Appropriation for FY16: **\$6,064,900**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2016, which commenced July 1, 2015.

This amount revises the appropriation amount shown in our October 27, 2014 letter based on the funding schedule recently adopted by the Board (copy enclosed). The schedule assumes payment is made on July 1 of each fiscal year. The schedule is effective in FY16 and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666 - 4446, extension 921.



**MHFA RETIREMENT SYSTEM
FUNDING SCHEDULE**

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAL	Net 3(8)(c) Payments	Schedule Contribution
2016	737,723	31,957,470	5,648,042	(320,865)	6,064,900
2017	765,388	28,348,409	5,648,042	(320,865)	6,092,564
2018	794,090	24,459,646	5,648,042	(320,865)	6,121,266
2019	823,868	20,269,504	5,648,042	(320,865)	6,151,045
2020	854,763	15,754,625	5,648,042	(320,865)	6,181,940
2021	886,817	10,889,844	5,648,042	(320,865)	6,213,993
2022	920,072	5,648,042	5,648,042	(320,865)	6,247,249
2023	954,575	-	-	(320,865)	633,710

Amortization of Unfunded Liability as of July 1, 2015:

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2016	Fresh Start	5,648,042	0.00%	7	5,648,042	7

Notes on Amortization of Unfunded Liability

Year is the year the amortization base was established.

Type is the reason for the creation of the base. Examples are Gain/(Loss) or Fresh Start.

Original Amortization Amount is the annual amortization amount when the base was established.

Percentage Increasing is the percentage that the Original Amortization Amount increases per year.

Original # of Years is the number of years over which the base is being amortized.

Current Amortization Amount is the amortization payment amount for this year.

Years Remaining is the number of years left to amortize the base.